

Taxpayers Speak Out Against Unjust Fire Tax

By George Runner

For the second time in as many years, the State of California is mailing hundreds of thousands of fire tax bills to rural Californians who live in the so-called State Responsibility Area. The bills are hitting mailboxes even as the class action lawsuit I'm backing has finally received a green light to move forward.

As Jon Coupal of the Howard Jarvis Taxpayers' Association is fond of saying, "the wheels of justice grind slowly." Although I believe the lawsuit against the fire tax will ultimately prevail, it appears the trial won't be until next year at the earliest.

Delayed justice means that hundreds of thousands of rural Californians, whether they can afford it or not, must write another check for up to \$150 per habitable structure to the State of California to pay this unfair and unjust tax.

Given the confusing and controversial nature of this tax, I'm sponsoring a series of regional telephone town hall meetings to give impacted taxpayers—many of whom are senior citizens living on fixed incomes in mobile homes—an opportunity to receive information and voice their questions and concerns. To date, more than 2000 taxpayers have participated. (See calfirefee.com for recordings and details on upcoming calls.)

Taxpayers are speaking out loudly and clearly. The following are just a few examples of what they're saying:

- "I live on only Social Security—that's all I get, and its already very difficult for me to make ends meet."
- "I'm 81 years old, and I live on Social Security... I'm unable to work, and I can't afford this... I
 don't have the money to pay it."
- "I was so afraid from what the letters were saying that if I didn't get it in right away, somehow I was going to lose my property... This year I don't have the money... I understand from what I'm hearing that there are lots and lots of seniors that are in my position."

Many taxpayers wonder who is responsible for this unfair and regressive tax. The answer is simple: the Governor and Legislature. And at the risk of sounding partisan, the bill was passed entirely by Democrats without a single Republican vote.

By now they could have repealed this tax, saving rural Californians another year of pain. It's inexcusable they haven't—especially now that the state is awash in billions of new voter-approved tax revenues.

As you may recall, the Legislature enacted the fire tax to backfill funds it raided from Cal-Fire. They disguised the tax as a fee, passing it on a simple majority vote in direct violation of California's constitutional two-thirds vote requirement for new taxes.

Not only have the Governor and Democratic lawmakers passed up opportunities to repeal the fire tax, they've also failed to make even the most modest and common-sense reforms to this flawed law.

One stalled bill would have exempted low-income Californians, including most seniors on fixed incomes.

In addition to taxing its poorest citizens, the state is also imposing *a 20% per month penalty* on those who can't pay after unsuccessfully appealing their bills. That's not a typo—the interest is 20% per month!

Once the lawsuit prevails, taxpayers should get back every cent they've paid plus interest. But unfortunately the state won't guarantee that outcome.

The judge presiding over the case has indicated that if the lawsuit prevails those who failed to file timely appeals may not be eligible for refunds.

So if you live in the State Responsibility Area for fire prevention, you should *pay your bill and immediately file an appeal* for your own protection. (For instructions on how to appeal your bill, see <u>calfirefee.com</u>.)

Paying and appealing not only protects your chance at a refund, it also protects you from government tax collectors. Those who don't pay could face steep penalties and interest and other collection actions in the future.

I don't like this tax either. But there are better ways to protest it than by not paying your bill. Support the lawsuit. Demand that the Governor and Legislature end this injustice. Contact your friends and family members and urge them to do the same.

And be assured, until the courts strike down this illegal tax, I'll continue to fight it for the sake of all rural Californians.

George Runner represents more than nine million Californians as a taxpayer advocate and elected member of the State Board of Equalization. For more information, visit boe.ca.gov/Runner.